

SENATE BILL 172

B1

4lr0148
CF HB 162

By: **The President (By Request – Administration)**

Introduced and read first time: January 15, 2014

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 9, 2014

CHAPTER _____

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2014**

3 FOR the purpose of authorizing certain funds to be used for certain purposes; setting a
4 certain limit on the use of certain funds beginning with a certain fiscal year;
5 authorizing or altering the distribution of certain revenue; establishing the date
6 on which certain license fees are effective; creating a Maryland Amusement
7 Game Advisory Committee; providing for the composition, chair, staffing, and
8 duties of the Advisory Committee; prohibiting a member of the Advisory
9 Committee from receiving certain compensation, but authorizing the
10 reimbursement of certain expenses; altering or repealing certain required
11 appropriations; applying to charter counties certain provisions of law that
12 authorize counties to impose a hotel rental tax; providing that under certain
13 circumstances certain other laws prevail over the provisions that authorize
14 charter counties to impose a hotel rental tax; requiring the appropriation of
15 certain funds for certain purposes beginning with a certain fiscal year; altering
16 the rate of certain commissions; repealing a certain authorization for the State
17 Lottery Commission to authorize the payment of certain bonuses and
18 incentives; requiring the Governor to include certain supplemental
19 contributions in the budget bill in addition to certain required contributions for
20 certain fiscal years or until certain conditions are met; requiring the Governor
21 to increase certain supplemental contributions in the budget bill under certain
22 circumstances; providing for the transfer of certain funds; providing for a
23 certain calculation of local wealth for certain education aid purposes for certain
24 fiscal years; making the Maryland Health Benefit Exchange subject to certain
25 provisions of law, to the extent that the Secretary of Information Technology

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 determines that a certain information technology project is a major information
 2 technology development project; repealing a limitation on the applicability, to
 3 certain fiscal years only, of a certain fee for a certificate of title for a rental
 4 vehicle; repealing certain authority for the Health Services Cost Review
 5 Commission and the Department of Health and Mental Hygiene to adopt
 6 certain policies; requiring the Governor to reduce a certain assessment by a
 7 certain amount beginning with the State budget submission for a certain fiscal
 8 year; providing for the method of calculating the amount of the reduction;
 9 requiring the Commission to model the methodology used for calculating the
 10 reduction in a certain manner; requiring that certain other Medicaid savings
 11 also be used to reduce the assessment; requiring the Health Services Cost
 12 Review Commission for a certain fiscal year to include a certain additional
 13 amount in hospital revenue for a certain purpose when determining certain
 14 hospital rates; altering the rate of a certain assessment; requiring the Board of
 15 Trustees for the State Retirement and Pension System to perform a certain
 16 study and to report the results to certain committees of the General Assembly
 17 on or before a certain date; ~~requiring the Health Services Cost Review~~
 18 ~~Commission to establish a Community Partnership Assistance Program;~~
 19 ~~requiring certain funding for the Program for certain purposes; providing for the~~
 20 ~~sources and permissible uses of the funding; requiring that certain plans be~~
 21 ~~developed in accordance with certain guidelines; providing that certain~~
 22 ~~guidelines contain certain criteria and specifications; providing for the~~
 23 ~~submission and approval of certain plans; requiring the Commission to take~~
 24 ~~action on a certain plan; requiring that certain preferences be given to certain~~
 25 ~~plans or collaborations; altering the timing of certain increases in certain rates~~
 26 ~~for payments to certain providers for a certain fiscal year; setting certain limits~~
 27 in increases in payments to certain providers for a certain fiscal year; requiring
 28 the State Department of Assessments and Taxation to establish a certain
 29 workgroup in a certain manner to examine certain issues; requiring the
 30 workgroup to submit a certain report on or before a certain date; authorizing
 31 the State Department of Assessments and Taxation to contract with a
 32 consultant for a certain purpose under certain circumstances and subject to
 33 certain requirements of State procurement law; ~~defining certain terms;~~ making
 34 ~~a conforming change;~~ conforming changes; making certain provisions of this Act
 35 contingent on the taking effect of another Act; making the provisions of this Act
 36 severable; providing for the effective dates for certain provisions of this Act; and
 37 generally relating to the financing of State and local government.

38 BY repealing and reenacting, with amendments,
 39 Article – Corporations and Associations
 40 Section 1–203.3(b)
 41 Annotated Code of Maryland
 42 (2007 Replacement Volume and 2013 Supplement)

43 BY repealing and reenacting, with amendments,
 44 Article – Courts and Judicial Proceedings
 45 Section 7–301(f)

1 Annotated Code of Maryland
2 (2013 Replacement Volume and 2013 Supplement)

3 BY repealing and reenacting, with amendments,
4 Article – Criminal Law
5 Section 12–301.1(c)(5)
6 Annotated Code of Maryland
7 (2012 Replacement Volume and 2013 Supplement)

8 BY adding to
9 Article – Criminal Law
10 Section 12–301.1(f)
11 Annotated Code of Maryland
12 (2012 Replacement Volume and 2013 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Economic Development
15 Section 5–1204 and 10–523(a)(3)(i) and (c)
16 Annotated Code of Maryland
17 (2008 Volume and 2013 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Education
20 Section ~~16–305(e)(1)(i) and~~ 5–202(d)(1), 16–305(c)(1)(i), and 17–104(a)(1)
21 Annotated Code of Maryland
22 (2008 Replacement Volume and 2013 Supplement)

23 ~~BY adding to~~
24 ~~Article – Education~~
25 ~~Section 16–305(e)(1)(v) and 17–104(a)(4)~~
26 ~~Annotated Code of Maryland~~
27 ~~(2008 Replacement Volume and 2013 Supplement)~~

28 BY repealing and reenacting, with amendments,
29 Article – Health – General
30 Section 2–302(b)(1)(xxiv) and (2)
31 Annotated Code of Maryland
32 (2009 Replacement Volume and 2013 Supplement)

33 BY adding to
34 Article – Health – General
35 Section 2–302(b)(3)
36 Annotated Code of Maryland
37 (2009 Replacement Volume and 2013 Supplement)

38 BY repealing and reenacting, with amendments,
39 Article – Local Government

1 Section 20-402
2 Annotated Code of Maryland
3 (2013 Volume)

4 BY repealing and reenacting, with amendments,
5 Article – Natural Resources
6 Section 5-212(g)
7 Annotated Code of Maryland
8 (2012 Replacement Volume and 2013 Supplement)

9 BY repealing and reenacting, with amendments,
10 Article – State Government
11 Section 9-117(a)(1) and ~~(b)(2)~~ and (b), 9-1A-29(d)(1), and 9-20B-05(g)
12 Annotated Code of Maryland
13 (2009 Replacement Volume and 2013 Supplement)

14 BY repealing and reenacting, without amendments,
15 Article – State Personnel and Pensions
16 Section 21-308(a)(1) and (2)
17 Annotated Code of Maryland
18 (2009 Replacement Volume and 2013 Supplement)

19 ~~BY repealing and reenacting, with amendments,~~
20 ~~Article – State Personnel and Pensions~~
21 ~~Section 21-308(a)(4)~~
22 ~~Annotated Code of Maryland~~
23 ~~(2009 Replacement Volume and 2013 Supplement)~~

24 BY adding to
25 Article – State Personnel and Pensions
26 Section 21-308(a)(4)
27 Annotated Code of Maryland
28 (2009 Replacement Volume and 2013 Supplement)

29 BY repealing and reenacting, with amendments,
30 Article – Tax – General
31 Section 2-1302.1(b)
32 Annotated Code of Maryland
33 (2010 Replacement Volume and 2013 Supplement)

34 BY repealing and reenacting, with amendments,
35 Article – Tax – Property
36 Section 13-209(h)(2)
37 Annotated Code of Maryland
38 (2012 Replacement Volume and 2013 Supplement)

39 BY repealing and reenacting, without amendments,

- 1 Article – Education
2 Section 5–202(d)(10)(i), (ii), (iii), and (iv)1. and 2. and (k)
3 Annotated Code of Maryland
4 (2008 Replacement Volume and 2013 Supplement)
- 5 BY repealing and reenacting, with amendments,
6 Article – Insurance
7 Section 31–103(a) and (b)
8 Annotated Code of Maryland
9 (2011 Replacement Volume and 2013 Supplement)
- 10 BY repealing
11 Article – State Government
12 Section 9–20B–05(g–1) and (g–2)
13 Annotated Code of Maryland
14 (2009 Replacement Volume and 2013 Supplement)
- 15 BY repealing and reenacting, with amendments,
16 Article – Transportation
17 Section 12–118(e) and 13–802(b)(1)
18 Annotated Code of Maryland
19 (2012 Replacement Volume and 2013 Supplement)
- 20 BY repealing and reenacting, without amendments,
21 Article – Transportation
22 Section 13–802(a)
23 Annotated Code of Maryland
24 (2012 Replacement Volume and 2013 Supplement)
- 25 BY repealing and reenacting, with amendments,
26 Chapter 397 of the Acts of the General Assembly of 2011, as amended by
27 Chapter 425 of the Acts of the General Assembly of 2013
28 Section 16
- 29 BY repealing and reenacting, without amendments,
30 Article – Health – General
31 Section 19–214(d)(1)
32 Annotated Code of Maryland
33 (2009 Replacement Volume and 2013 Supplement)
- 34 BY repealing and reenacting, with amendments,
35 Article – Health – General
36 Section 19–214(d)(3)(i)
37 Annotated Code of Maryland
38 (2009 Replacement Volume and 2013 Supplement)
- 39 ~~BY adding to~~

1 ~~Article – Health – General~~
 2 ~~Section 19–210.1~~
 3 ~~Annotated Code of Maryland~~
 4 ~~(2009 Replacement Volume and 2013 Supplement)~~

5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 6 MARYLAND, That the Laws of Maryland read as follows:

7 **Article – Corporations and Associations**

8 1–203.3.

9 (b) **(1)** Subject to the appropriation process in the State budget, the
 10 Department shall use the fund:

11 ~~(1)~~ **(I)** For the costs of reviewing, processing, and auditing
 12 documents filed or requested under this article or other articles of the Code; [and]

13 ~~(2)~~ **(II)** To pay redemption or extinguishment amounts to former
 14 owners of ground rents redeemed or extinguished in accordance with § 8–110 of the
 15 Real Property Article; AND

16 ~~(3)~~ **(III) FOR SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,**
 17 **FOR OTHER COSTS INCURRED BY THE DEPARTMENT TO ADMINISTER THE**
 18 **PROVISIONS OF THIS ARTICLE.**

19 **(2) FOR FISCAL YEAR 2015 AND EACH FISCAL YEAR THEREAFTER,**
 20 **THE DEPARTMENT MAY NOT USE THE FUND TO PAY MORE THAN 5% OF THE**
 21 **ADMINISTRATIVE EXPENSES OF THE OFFICE OF THE DIRECTOR OF THE**
 22 **DEPARTMENT.**

23 **Article – Courts and Judicial Proceedings**

24 7–301.

25 (f) (1) This subsection does not apply to a traffic case under § 21–202.1, §
 26 21–809, § 21–810, or § 21–1414 of the Transportation Article or to a parking or
 27 impounding case.

28 (2) In a traffic case under subsection (a)(1) of this section the court
 29 shall add a \$7.50 surcharge to any fine imposed by the court.

30 (3) (i) The Comptroller annually shall credit the surcharges
 31 collected under this subsection as provided in this paragraph.

1 (ii) An amount annually as set forth in the State budget shall be
2 distributed for the Charles W. Riley Fire and Emergency Medical Services Tuition
3 Reimbursement Program as established in § 18-603 of the Education Article.

4 (iii) **AN AMOUNT ANNUALLY AS SET FORTH IN THE STATE**
5 **BUDGET SHALL BE DISTRIBUTED TO THE MARYLAND STATE FIREMEN'S**
6 **ASSOCIATION FOR THE WIDOWS' AND ORPHANS' FUND.**

7 (IV) After the distribution under [subparagraph]
8 SUBPARAGRAPHS (ii) AND (III) of this paragraph, \$200,000 shall be distributed to
9 the Maryland State Firemen's Association.

10 [(iv)] (V) After the distribution under subparagraphs (ii) [and
11 (iii)], (III), AND (IV) of this paragraph and until a total of \$20,000,000 has been
12 distributed to the Volunteer Company Assistance Fund since the establishment of the
13 surcharge under this subsection, the remainder shall be credited to the Volunteer
14 Company Assistance Fund to be used in accordance with the provisions of Title 8,
15 Subtitle 2 of the Public Safety Article.

16 [(v)] (VI) After a total of \$20,000,000 has been distributed to
17 the Volunteer Company Assistance Fund, 100% of the remainder shall be credited to
18 the Maryland Emergency Medical System Operations Fund established under §
19 13-955 of the Transportation Article.

20 [(vi)] (VII) On or before September 1 of each year until
21 \$20,000,000 has been distributed to the Volunteer Company Assistance Fund, the
22 State Court Administrator shall submit a report to the Senate Budget and Taxation
23 Committee and the House Appropriations Committee, in accordance with § 2-1246 of
24 the State Government Article, on the amount of revenue distributed to the Volunteer
25 Company Assistance Fund under this paragraph.

26 Article – Criminal Law

27 12-301.1.

28 (c) The Commission shall adopt regulations that:

29 (5) establish license fees, **EFFECTIVE ON JULY 1, 2016**, that are
30 sufficient to cover the direct and indirect costs of licensure required under this section.

31 (F) (1) **THERE IS A MARYLAND AMUSEMENT GAME ADVISORY**
32 **COMMITTEE.**

33 (2) **THE ADVISORY COMMITTEE SHALL ADVISE THE COMMISSION**
34 **ON THE CONDUCT AND TECHNICAL ASPECTS OF THE AMUSEMENT GAME**

1 INDUSTRY, INCLUDING RECOMMENDATIONS FOR THE LEGALITY OF
2 SKILLS-BASED AMUSEMENT GAMES.

3 (3) THE ADVISORY COMMITTEE CONSISTS OF THE FOLLOWING
4 MEMBERS APPOINTED BY THE GOVERNOR:

5 (I) TWO MEMBERS SELECTED FROM A LIST OF FIVE NAMES
6 SUBMITTED BY THE MARYLAND AMUSEMENT AND MUSIC OPERATORS
7 ASSOCIATION;

8 (II) ONE MEMBER WHO IS A LOCAL GOVERNMENT OFFICIAL
9 SELECTED FROM A LIST OF NAMES SUBMITTED BY THE MARYLAND
10 ASSOCIATION OF COUNTIES AND THE MARYLAND MUNICIPAL LEAGUE;

11 (III) ONE MEMBER WHO IS A LOCAL LAW ENFORCEMENT
12 OFFICER; AND

13 (IV) ONE CITIZEN REPRESENTATIVE.

14 (4) THE GOVERNOR SHALL DESIGNATE THE CHAIR OF THE
15 ADVISORY COMMITTEE.

16 (5) THE COMMISSION SHALL PROVIDE STAFF FOR THE ADVISORY
17 COMMITTEE.

18 (6) A MEMBER OF THE ADVISORY COMMITTEE:

19 (I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF
20 THE ADVISORY COMMITTEE; BUT

21 (II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES
22 UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE
23 STATE BUDGET.

24 **Article – Economic Development**

25 5-1204.

26 (a) (1) There is a Maryland Not-For-Profit Development Center Program
27 Fund in the Department.

28 (2) The Fund is a special, nonlapsing fund that is not subject to
29 reversion under § 7-302 of the State Finance and Procurement Article.

30 (3) The Fund consists of:

1 (i) money appropriated in the State budget to the Fund; and

2 (ii) all other money accepted for the benefit of the Fund,
3 including an additional \$50 fee to be paid for the processing of articles of incorporation
4 of a nonstock corporation in accordance with § 1–203 of the Corporations and
5 Associations Article.

6 (b) (1) The purpose of the Fund is to provide grant money to support the
7 operations of the Program consistent with this subtitle.

8 (2) **AS PROVIDED IN THE STATE BUDGET, THE FUND ALSO MAY**
9 **BE USED BY THE DEPARTMENT OF GENERAL SERVICES TO EVALUATE THE**
10 **PARTICIPATION OF NOT-FOR-PROFIT ENTITIES IN STATE PROCUREMENT.**

11 10–523.

12 (a) (3) (i) To assist the Corporation in complying with subsection (c) of
13 this section, the Governor shall include each year in the State budget bill an
14 appropriation to the Corporation for rural business development and assistance as
15 follows:

16 1. for fiscal year 2011, \$2,750,000;

17 2. for fiscal year 2012, \$2,750,000;

18 3. for fiscal year 2013, \$2,875,000;

19 4. for fiscal year 2014, \$2,875,000; [and]

20 5. **FOR FISCAL YEAR 2015, \$2,875,000; AND**

21 6. for each of the fiscal years [2015] **2016** through
22 **[2020] 2021**, \$4,000,000.

23 (c) The Corporation shall conduct its financial affairs so that, by the year
24 **[2020] 2021**, it is self-sufficient and in no further need of general operating support
25 by the State.

26 **Article – Education**

27 16–305.

28 (c) (1) (i) The total State operating fund per full-time equivalent
29 student to the community colleges for each fiscal year other than fiscal ~~[year]~~ **YEARS**
30 ~~2013 AND 2015~~, as requested by the Governor shall be:

1 1. In fiscal year 2009, not less than an amount equal to
2 26.25% of the State's General Fund appropriation per full-time equivalent student to
3 the 4-year public institutions of higher education in the State as designated by the
4 Commission for the purpose of administering the Joseph A. Sellinger Program under
5 Title 17 of this article in the previous fiscal year;

6 2. In fiscal year 2010, not less than an amount equal to
7 23.6% of the State's General Fund appropriation per full-time equivalent student to
8 the 4-year public institutions of higher education in the State as designated by the
9 Commission for the purpose of administering the Joseph A. Sellinger Program under
10 Title 17 of this article in the same fiscal year;

11 3. In fiscal year 2011, not less than an amount equal to
12 21.8% of the State's General Fund appropriation per full-time equivalent student to
13 the 4-year public institutions of higher education in the State as designated by the
14 Commission for the purpose of administering the Joseph A. Sellinger Program under
15 Title 17 of this article in the same fiscal year;

16 4. In fiscal year 2012, not less than an amount equal to
17 20% of the State's General Fund appropriation per full-time equivalent student to the
18 4-year public institutions of higher education in the State as designated by the
19 Commission for the purpose of administering the Joseph A. Sellinger Program under
20 Title 17 of this article in the same fiscal year;

21 5. In fiscal year 2014, an amount that is the greater of
22 19.7% of the State's General Fund appropriation per full-time equivalent student to
23 the 4-year public institutions of higher education in the State as designated by the
24 Commission for the purpose of administering the Joseph A. Sellinger Program under
25 Title 17 of this article in the same fiscal year or \$1,839.47 per full-time equivalent
26 student;

27 6. ¶In fiscal year 2015, an amount that is the greater of
28 19.7% of the State's General Fund appropriation per full-time equivalent student to
29 the 4-year public institutions of higher education in the State as designated by the
30 Commission for the purpose of administering the Joseph A. Sellinger Program under
31 Title 17 of this article in the same fiscal year or \$1,839.47 per full-time equivalent
32 student;

33 7.¶ In fiscal year 2016, ~~an amount that is the greater of~~
34 ~~19%~~ **NOT LESS THAN AN AMOUNT EQUAL TO 19.7%** of the State's General Fund
35 appropriation per full-time equivalent student to the 4-year public institutions of
36 higher education in the State as designated by the Commission for the purpose of
37 administering the Joseph A. Sellinger Program under Title 17 of this article in the
38 same fiscal year ~~or \$1,839.47 per full-time equivalent student;~~

1 ~~¶8.17.~~ In fiscal year 2017, ~~an amount that is the greater of~~
2 ~~19%~~ **NOT LESS THAN AN AMOUNT EQUAL TO 19.7%** of the State's General Fund
3 appropriation per full-time equivalent student to the 4-year public institutions of
4 higher education in the State as designated by the Commission for the purpose of
5 administering the Joseph A. Sellinger Program under Title 17 of this article in the
6 same fiscal year ~~or \$1,830.47 per full-time equivalent student;~~

7 ~~¶9.18.~~ In fiscal year 2018, not less than an amount equal to
8 20% of the State's General Fund appropriation per full-time equivalent student to the
9 4-year public institutions of higher education in the State as designated by the
10 Commission for the purpose of administering the Joseph A. Sellinger Program under
11 Title 17 of this article in the same fiscal year;

12 ~~¶10.19.~~ In fiscal year 2019, not less than an amount
13 equal to 21% of the State's General Fund appropriation per full-time equivalent
14 student to the 4-year public institutions of higher education in the State as designated
15 by the Commission for the purpose of administering the Joseph A. Sellinger Program
16 under Title 17 of this article in the same fiscal year;

17 ~~¶11.10.~~ In fiscal year 2020, not less than an amount
18 equal to 23% of the State's General Fund appropriation per full-time equivalent
19 student to the 4-year public institutions of higher education in the State as designated
20 by the Commission for the purpose of administering the Joseph A. Sellinger Program
21 under Title 17 of this article in the same fiscal year;

22 ~~¶12.11.~~ In fiscal year 2021, not less than an amount
23 equal to 25% of the State's General Fund appropriation per full-time equivalent
24 student to the 4-year public institutions of higher education in the State as designated
25 by the Commission for the purpose of administering the Joseph A. Sellinger Program
26 under Title 17 of this article in the same fiscal year;

27 ~~¶13.12.~~ In fiscal year 2022, not less than an amount
28 equal to 27% of the State's General Fund appropriation per full-time equivalent
29 student to the 4-year public institutions of higher education in the State as designated
30 by the Commission for the purpose of administering the Joseph A. Sellinger Program
31 under Title 17 of this article in the same fiscal year; and

32 ~~¶14.13.~~ In fiscal year 2023 and each fiscal year
33 thereafter, not less than an amount equal to 29% of the State's General Fund
34 appropriation per full-time equivalent student to the 4-year public institutions of
35 higher education in the State as designated by the Commission for the purpose of
36 administering the Joseph A. Sellinger Program under Title 17 of this article in the
37 same fiscal year.

1 (v) ~~IN FISCAL YEAR 2015, THE TOTAL STATE OPERATING~~
 2 ~~FUNDS FOR COMMUNITY COLLEGES SHALL BE \$223,669,968, TO BE~~
 3 ~~DISTRIBUTED AS FOLLOWS:~~

4	1. ALLEGANY COLLEGE	\$4,872,898;
5	2. ANNE ARUNDEL COMMUNITY	COLLEGE
6		\$28,998,941;
7	3. COMMUNITY COLLEGE OF BALTIMORE	COUNTY
8		\$38,990,003;
9	4. CARROLL COMMUNITY COLLEGE	\$7,488,547;
10	5. CECIL COMMUNITY COLLEGE	\$5,217,687;
11	6. COLLEGE OF SOUTHERN	MARYLAND
12		\$13,118,626;
13	7. CHESAPEAKE COLLEGE	\$6,134,108;
14	8. FREDERICK COMMUNITY COLLEGE ...	\$9,010,822;
15	9. GARRETT COLLEGE	\$2,595,501;
16	10. HAGERSTOWN COMMUNITY	COLLEGE
17		\$7,788,149;
18	11. HARFORD COMMUNITY COLLEGE	\$10,913,980;
19	12. HOWARD COMMUNITY COLLEGE	\$15,300,154;
20	13. MONTGOMERY COLLEGE	\$40,402,184;
21	14. PRINCE GEORGE'S COMMUNITY	COLLEGE
22		\$25,722,191; AND
23	15. WOR WIC COMMUNITY COLLEGE	\$7,116,177.

24 17-104.

25 (a) (1) Except as provided in [paragraph (2)] ~~PARAGRAPHS (2), (3), AND~~
 26 ~~(4) (2) AND (3)~~ of this subsection, the Maryland Higher Education Commission shall
 27 compute the amount of the annual apportionment for each institution that qualifies
 28 under this subtitle by multiplying the number of full-time equivalent students

1 enrolled at the institution during the fall semester of the fiscal year preceding the
 2 fiscal year for which the aid apportionment is made, as determined by the Maryland
 3 Higher Education Commission by:

4 (i) In fiscal year 2009, an amount not less than 16% of the
 5 State's General Fund per full-time equivalent student appropriation to the 4-year
 6 public institutions of higher education in this State for the preceding fiscal year;

7 (ii) In fiscal year 2010, an amount not less than 12.85% of the
 8 State's General Fund per full-time equivalent student appropriation to the 4-year
 9 public institutions of higher education in the State for the same fiscal year;

10 (iii) In fiscal year 2011, an amount not less than 9.8% of the
 11 State's General Fund per full-time equivalent student appropriation to the 4-year
 12 public institutions of higher education in this State for the same fiscal year;

13 (iv) In fiscal year 2012, an amount not less than 9.2% of the
 14 State's General Fund per full-time equivalent student appropriation to the 4-year
 15 public institutions of higher education in this State for the same fiscal year;

16 (v) In fiscal year 2014, an amount that is the greater of 9.4% of
 17 the State's General Fund per full-time equivalent student appropriation to the 4-year
 18 public institutions of higher education in this State for the same fiscal year or \$875.53
 19 per full-time equivalent student;

20 (vi) ~~In~~ In fiscal year 2015, an amount that is the greater of 9.4% of
 21 the State's General Fund per full-time equivalent student appropriation to the 4-year
 22 public institutions of higher education in this State for the same fiscal year or \$875.53
 23 per full-time equivalent student;

24 (vii)~~]~~ In fiscal year 2016, an amount ~~that is the greater of 9%~~ **NOT**
 25 **LESS THAN 9.6%** of the State's General Fund per full-time equivalent student
 26 appropriation to the 4-year public institutions of higher education in this State for the
 27 same fiscal year ~~or \$875.53 per full-time equivalent student~~;

28 ~~[(viii)] (vii)~~ In fiscal year 2017, an amount ~~that is the greater of~~
 29 ~~9%~~ **NOT LESS THAN 10.1%** of the State's General Fund per full-time equivalent
 30 student appropriation to the 4-year public institutions of higher education in this
 31 State for the same fiscal year ~~or \$875.53 per full-time equivalent student~~;

32 ~~[(ix)] (viii)~~ In fiscal year 2018, an amount not less than ~~9.3%~~
 33 **10.5%** of the State's General Fund per full-time equivalent student appropriation to
 34 the 4-year public institutions of higher education in this State for the same fiscal year;

1 ~~[(x)] (IX)~~ In fiscal year 2019, an amount not less than ~~11.3%~~
 2 **10.8%** of the State's General Fund per full-time equivalent student appropriation to
 3 the 4-year public institutions of higher education in this State for the same fiscal year;

4 ~~[(xi)] (X)~~ In fiscal year 2020, an amount not less than ~~13.3%~~
 5 **11.1%** of the State's General Fund per full-time equivalent student appropriation to
 6 the 4-year public institutions of higher education in this State for the same fiscal year;
 7 and

8 ~~[(xii)] (XI)~~ In fiscal year 2021 and each fiscal year thereafter, an
 9 amount not less than 15.5% of the State's General Fund per full-time equivalent
 10 student appropriation to the 4-year public institutions of higher education in this
 11 State for the same fiscal year.

12 ~~(4) IN FISCAL YEAR 2015, THE TOTAL AMOUNT OF AID DUE TO~~
 13 ~~ALL INSTITUTIONS SHALL BE \$40,943,310.~~

14 Article - Health - General

15 2-302.

16 (b) The funding shall be:

17 (1) \$37,283,484 in each of fiscal years 2011 and 2012, to be distributed
 18 as follows:

19 (xxiv) Worcester County.....\$312,944; [and]

20 (2) For fiscal [year] YEARS 2013 and [each subsequent fiscal year]
 21 2014, \$37,283,484 adjusted for:

22 (i) Inflation, as measured by the Consumer Price Index (All
 23 Urban Consumers), for the second preceding fiscal year, calculated by the U.S.
 24 Department of Commerce; and

25 (ii) Population growth, as measured by the growth in the total
 26 population of the State of Maryland for the second preceding fiscal year, according to
 27 the most recent statistics available through the Department of Health and Mental
 28 Hygiene; AND

29 (3) FOR FISCAL YEAR 2015 AND EACH SUBSEQUENT FISCAL YEAR,
 30 THE AMOUNT OF FUNDING FOR THE PRECEDING FISCAL YEAR ADJUSTED FOR:

31 (1) INFLATION, AS MEASURED BY THE CONSUMER PRICE
 32 INDEX (ALL URBAN CONSUMERS), FOR THE SECOND PRECEDING FISCAL YEAR,
 33 CALCULATED BY THE U.S. DEPARTMENT OF COMMERCE; AND

1 **(II) POPULATION GROWTH, AS MEASURED BY THE GROWTH**
 2 **IN THE TOTAL POPULATION OF THE STATE FOR THE SECOND PRECEDING**
 3 **FISCAL YEAR, ACCORDING TO THE MOST RECENT STATISTICS AVAILABLE**
 4 **THROUGH THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE.**

5 **Article – Local Government**

6 **20–402.**

7 **(A)** **This part applies only to:**

8 **(1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, A CHARTER**
 9 **COUNTY;**

10 ~~[(1)]~~ **(2)** a code county;

11 ~~[(2)]~~ **(3)** Calvert County;

12 ~~[(3)]~~ **(4)** Carroll County;

13 ~~[(4)]~~ **(5)** Cecil County;

14 ~~[(5)]~~ Dorchester County;

15 ~~(6)~~ Frederick County;

16 ~~[(7)]~~ **(6)** Garrett County;

17 ~~[(8)]~~ **(7)** St. Mary’s County;

18 ~~[(9)]~~ **(8)** Somerset County; AND

19 ~~[(10)]~~ Talbot County;

20 ~~[(11)]~~ **(9)** Washington County]; and

21 ~~(12)~~ Wicomico County].

22 **(B)** **TO THE EXTENT THIS PART CONFLICTS WITH ANOTHER LAW THAT**
 23 **APPLIES TO A CHARTER COUNTY, THE OTHER LAW SHALL PREVAIL OVER THIS**
 24 **PART.**

25 ~~**Article – State Government**~~

1 Article – Natural Resources

2 5–212.

3 (g) (1) [The] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE
4 Fund may be used only for:

5 (i) 1. Purchasing and managing in the name of the State
6 lands suitable for forest culture, reserves, watershed protection, State parks, scenic
7 preserves, historic monuments, parkways, and State recreational reserves; and

8 2. Helping to offset the costs to the Forest and Park
9 Service for developing and implementing a forest health emergency contingency
10 program under § 5–307 of this title;

11 (ii) Subject to paragraph (2) of this subsection, payments to
12 counties in the amount of:

13 1. If the State forest or park reserve comprises less than
14 10% of the total land area of the county, a sum equal to 15% of the revenue derived
15 from the State forest or park reserve located in that county; and

16 2. If the State forest or park reserve comprises 10% or
17 more of the total land area of the county, a sum equal to 25% of the revenue derived
18 from the State forest or park reserve located in that county; and

19 (iii) Administrative costs calculated in accordance with §
20 1–103(b)(2) of this article.

21 (2) For fiscal years 2012 and 2013 only, the payments under
22 paragraph (1)(ii) of this subsection shall be based only on the revenue derived from
23 sales of timber.

24 (3) FROM REVENUES DESCRIBED IN SUBSECTION (F) OF THIS
25 SECTION THAT ARE ATTRIBUTABLE TO MARYLAND PARK SERVICE
26 OPERATIONS, THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN
27 APPROPRIATION FOR THE MARYLAND PARK SERVICE EQUAL TO:

28 (I) 60% OF THE REVENUES, FOR FISCAL YEAR 2016;

29 (II) 80% OF THE REVENUES, FOR FISCAL YEAR 2017; AND

30 (III) 100% OF THE REVENUES, FOR FISCAL YEAR 2018 AND
31 EACH FISCAL YEAR THEREAFTER.

32 Article – State Government

1 9-117.

2 (a) (1) ~~[(i) Except as provided in subparagraphs (ii) and (iii) of this~~
 3 ~~paragraph, a~~ A licensed agent shall receive regular commissions of 5.5% of the
 4 licensed agent's gross receipts from ticket sales.

5 (ii) ~~For fiscal year 2012 through December 31, 2012, only, a~~ A
 6 ~~licensed agent shall receive regular commissions of 5.0% of the licensed agent's gross~~
 7 ~~receipts from ticket sales.~~

8 ~~[(iii) If a video lottery operation license for a video lottery facility~~
 9 ~~in Baltimore City is issued, a licensed agent shall receive regular commissions of 6% of~~
 10 ~~the licensed agent's gross receipts from ticket sales.]~~

11 (b) (2) ~~The total of the bonuses and incentives may not exceed [one half~~
 12 ~~of] 1% of the gross receipts from ticket sales for the year for which the bonuses or~~
 13 ~~incentives are awarded.~~

14 (b) [(1) The Commission may authorize the payment of special bonuses or
 15 incentives to licensed agents and their employees.

16 (2) The total of the bonuses and incentives may not exceed one-half of
 17 1% of the gross receipts from ticket sales for the year for which the bonuses or
 18 incentives are awarded.]

19 [(3) Lottery sales agents may not offer patrons inducements of alcoholic
 20 beverages to purchase or redeem lottery tickets.

21 Article – State Personnel and Pensions

22 21-308.

23 (a) (4) ~~For fiscal year 2014 and each fiscal year thereafter, in addition to~~
 24 ~~the amounts required under paragraph (2) of this subsection, the Governor shall~~
 25 ~~include in the budget bill [\$300,000,000] \$200,000,000.~~

26 (a) (1) On or before December 1 of each year, the Board of Trustees shall:

27 (i) certify to the Governor and the Secretary of Budget and
 28 Management the rates to be used to determine the amounts to be paid by the State to
 29 the accumulation fund of each of the several systems during the next fiscal year,
 30 including a separate certification of the normal contribution rate for the Teachers'
 31 Retirement System and the Teachers' Pension System; and

1 (ii) provide to the Secretary of Budget and Management a
2 statement of the total amount to be paid by the State as determined under § 21-304 of
3 this subtitle to the Teachers' Retirement System and the Teachers' Pension System
4 expressed as a percentage of the payroll of all members of those State systems.

5 (2) The Governor shall include in the budget bill:

6 (i) the total amount of the State's contribution to each State
7 system as ascertained based on the rates certified by the Board of Trustees under
8 paragraph (1) of this subsection;

9 (ii) the additional amounts as ascertained under subsection (d)
10 of this section for the State's payment to the professional and clerical employees of the
11 Department of Public Libraries of Montgomery County who are members of the
12 Employees' Retirement System of Montgomery County and are excluded from
13 membership in the Teachers' Retirement System or the Teachers' Pension System;
14 and

15 (iii) any additional amount required to be in the budget bill
16 under § 3-501(c)(2)(ii) of this article.

17 [(4) For fiscal year 2014 and each fiscal year thereafter, in addition to
18 the amounts required under paragraph (2) of this subsection, the Governor shall
19 include in the budget bill \$300,000,000.]

20 **(1) 1. FOR FISCAL YEAR 2014, IN ADDITION TO THE**
21 **ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS**
22 **SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A**
23 **SUPPLEMENTAL CONTRIBUTION OF \$100,000,000.**

24 **2. FOR FISCAL YEAR 2015, IN ADDITION TO THE**
25 **ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS**
26 **SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A**
27 **SUPPLEMENTAL CONTRIBUTION OF \$100,000,000.**

28 **3. FOR FISCAL YEAR 2016, IN ADDITION TO THE**
29 **ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS**
30 **SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A**
31 **SUPPLEMENTAL CONTRIBUTION OF \$150,000,000.**

32 **4. FOR FISCAL YEAR 2017, IN ADDITION TO THE**
33 **ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS**
34 **SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A**
35 **SUPPLEMENTAL CONTRIBUTION OF \$200,000,000.**

1 **5. FOR FISCAL YEAR 2018, IN ADDITION TO THE**
 2 **ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS**
 3 **SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A**
 4 **SUPPLEMENTAL CONTRIBUTION OF \$250,000,000.**

5 **6. FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR**
 6 **THEREAFTER, IN ADDITION TO THE ANNUAL REQUIRED CONTRIBUTION**
 7 **REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR**
 8 **SHALL INCLUDE IN THE BUDGET BILL A SUPPLEMENTAL CONTRIBUTION OF**
 9 **\$300,000,000, UNTIL:**

10 **A. THE TOTAL ACTUARIAL VALUE OF ASSETS FOR**
 11 **THE SEVERAL SYSTEMS DIVIDED BY THE TOTAL ACTUARIAL ACCRUED LIABILITY**
 12 **FOR THE SEVERAL SYSTEMS EQUALS A FUNDING RATIO OF 85%; AND**

13 **B. THE CONTRIBUTION RATES CERTIFIED UNDER**
 14 **PARAGRAPH (1)(I) OF THIS SUBSECTION ARE THE FULL FUNDING RATES AS**
 15 **DEFINED IN § 21-304(A)(3) OF THIS SUBTITLE.**

16 **(II) IF THE AMOUNT OF A SUPPLEMENTAL CONTRIBUTION**
 17 **INCLUDED IN THE BUDGET BILL FOR A FISCAL YEAR IS LESS THAN THE AMOUNT**
 18 **REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE GOVERNOR**
 19 **SHALL INCREASE THE SUPPLEMENTAL CONTRIBUTION FOR THE FOLLOWING**
 20 **FISCAL YEAR BY THE AMOUNT OF THE REDUCTION TO THE SUPPLEMENTAL**
 21 **CONTRIBUTION IN THE PREVIOUS FISCAL YEAR.**

22 **Article – Tax – General**

23 2-1302.1.

24 (b) For each fiscal year beginning on or before July 1, 2014, after the
 25 distribution required under subsection (a)(1) of this section, the Comptroller shall
 26 distribute the remainder of the sales and use tax collected on short-term vehicle
 27 rentals under § 11-104(c) of this article as follows:

28 (1) to the General Fund of the State:

29 (i) \$15,169,444 for the fiscal year beginning July 1, 2011;

30 (ii) \$10,076,582 for the fiscal year beginning July 1, 2012;

31 (iii) ~~[\$6,535,845]~~ **\$14,535,845** for the fiscal year beginning July
 32 1, 2013; and

1 (iv) [\$3,049,199] **\$6,249,199** for the fiscal year beginning July
2 1, 2014; and

3 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

4 **Article – Tax – Property**

5 13–209.

6 (h) (2) Notwithstanding any other provision of law, the Governor may
7 transfer funds from the special fund established under this section to the General
8 Fund as follows:

9 (i) on or before June 30, 2014, \$89,198,555;

10 (ii) for the fiscal year beginning July 1, 2014, ~~[\$75,062,000]~~
11 ~~\$144,188,554~~ \$144,188,544;

12 (iii) for the fiscal year beginning July 1, 2015, \$77,654,000;

13 (iv) for the fiscal year beginning July 1, 2016, \$82,771,000; and

14 (v) for the fiscal year beginning July 1, 2017, \$86,028,000.

15 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
16 read as follows:

17 Article – Education

18 5–202.

19 (d) (1) (i) Subject to § 5–213.1 of this subtitle, the county governing
20 body shall levy and appropriate an annual tax sufficient to provide an amount of
21 revenue for elementary and secondary public education purposes equal to the local
22 share of the foundation program.

23 (ii) 1. Except as provided in subparagraph 2 of this
24 subparagraph and subject to § 5–213 of this subtitle, the county governing body shall
25 appropriate local funds to the school operating budget in an amount no less than the
26 product of the county’s full–time equivalent enrollment for the current fiscal year and
27 the local appropriation on a per pupil basis for the prior fiscal year.

28 2. Except as provided in paragraph (3)(ii) of this
29 subsection AND SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, in each
30 fiscal year if a county’s education effort, as defined in paragraph (10) of this
31 subsection, is below 100% of the statewide 5–year moving average of education effort.

1 the required maintenance of effort amount for the county shall be adjusted by
 2 increasing the per pupil amount by the lesser of:

3 A. A county's increase in the local wealth per pupil;

4 B. The statewide average increase in local wealth per
 5 pupil; or

6 C. 2.5%.

7 **(III) THE CALCULATION OF LOCAL WEALTH FOR THE**
 8 **PURPOSES OF PARAGRAPHS (1) AND (10) OF THIS SUBSECTION SHALL USE THE**
 9 **AMOUNT CERTIFIED FOR NET TAXABLE INCOME UNDER SUBSECTION (K)(2)(II)**
 10 **OF THIS SECTION BASED ON TAX RETURNS FILED ON OR BEFORE:**

11 **1. FOR FISCAL YEARS 2015 THROUGH 2017,**
 12 **SEPTEMBER 1; AND**

13 **2. FOR FISCAL YEAR 2018 AND EACH FISCAL YEAR**
 14 **THEREAFTER, NOVEMBER 1.**

15 (10) (i) In this paragraph the following terms have the meanings
 16 indicated.

17 1. "Education appropriation" includes any money
 18 redirected to a county board under § 5-213 or § 5-213.1 of this subtitle.

19 2. "Education effort" means a county's education
 20 appropriation divided by the county's wealth.

21 3. "5-year moving average" means the average of the 5
 22 years before the waiver year.

23 4. "Waiver year" means the fiscal year for which a
 24 waiver from the maintenance of effort requirement in paragraph (1)(ii) of this
 25 subsection is requested.

26 (ii) This paragraph applies to a county that has:

27 1. Received a waiver under paragraph (8)(i)1 of this
 28 subsection from the maintenance of effort requirement; and

29 2. A required county education appropriation under
 30 paragraph (1)(ii) of this subsection for the waiver year that exceeds 100% of the
 31 statewide 5-year moving average of education effort times a county's local wealth.

1 (iii) A county that satisfies the requirements under
2 subparagraph (ii) of this paragraph may request a rebasing waiver from the State
3 Board.

4 (iv) When considering whether to grant a county's waiver
5 request under this paragraph, the State Board shall consider the following factors:

6 1. Whether a county has submitted sufficient evidence
7 that the factors in paragraph (8)(v) of this subsection will affect a county's ongoing
8 ability to meet the maintenance of effort requirement;

9 2. Whether a county is at its maximum taxing authority
10 under the law;

11 (k) (1) This subsection applies to education programs that use wealth to
12 calculate State aid formulas under this subtitle.

13 (2) The Comptroller shall certify annually the amount of net taxable
14 income based on both:

15 (i) Tax returns filed on or before September 1; and

16 (ii) Tax returns filed on or before November 1.

17 (3) For each fiscal year, State aid shall be calculated as follows:

18 (i) Once using the amount certified for net taxable income
19 under paragraph (2)(i) of this subsection for tax returns filed on or before September 1;
20 and

21 (ii) Again using the amount certified for net taxable income
22 under paragraph (2)(ii) of this subsection for tax returns filed on or before November 1.

23 (4) Subject to paragraph (5) of this subsection, the amount of State aid
24 for a county shall be the greater of the two calculations required under paragraph (3)
25 of this subsection.

26 (5) If the amount of State aid for a county, using the calculation of
27 State aid under paragraph (3)(ii) of this subsection, is the greater of the two
28 calculations under paragraph (3) of this subsection, payment of any increase in State
29 aid resulting from the difference between the two calculations shall be phased in as
30 follows:

31 (i) For fiscal year 2014, 20 percent of the difference between the
32 two calculations;

1 (ii) For fiscal year 2015, 40 percent of the difference between the
 2 two calculations;

3 (iii) For fiscal year 2016, 60 percent of the difference between the
 4 two calculations;

5 (iv) For fiscal year 2017, 80 percent of the difference between the
 6 two calculations; and

7 (v) For fiscal year 2018, and each fiscal year thereafter, the full
 8 amount of the calculation.

9 **Article – Insurance**

10 31–103.

11 (a) The Exchange is subject to:

12 (1) the following provisions of the State Finance and Procurement
 13 Article:

14 **(I) TITLE 3A, SUBTITLE 3 (INFORMATION PROCESSING),**
 15 **TO THE EXTENT THAT THE SECRETARY OF INFORMATION TECHNOLOGY**
 16 **DETERMINES THAT AN INFORMATION TECHNOLOGY PROJECT OF THE**
 17 **EXCHANGE IS A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT;**

18 **[(i)] (II) Title 12, Subtitle 4 (Policies and Procedures for**
 19 **Exempt Units); and**

20 **[(ii)] (III) Title 14, Subtitle 3 (Minority Business Participation);**

21 (2) the following provisions of the State Government Article:

22 (i) Title 10, Subtitle 1 (Administrative Procedure Act –
 23 Regulations);

24 (ii) Title 10, Subtitle 5 (Meetings);

25 (iii) Title 10, Subtitle 6, Part III (Access to Public Records);

26 (iv) Title 12 (Immunity and Liability); and

27 (v) Title 15 (Public Ethics); and

28 (3) Title 5, Subtitle 3 of the State Personnel and Pensions Article.

1 (1) [17%] ~~UP TO AT LEAST~~ **50%** shall be credited to an energy
2 assistance account to be used for the Electric Universal Service Program and other
3 electricity assistance programs in the Department of Human Resources;

4 (2) [except as provided in subsection (g-2) of this section, 23% shall be
5 credited to a rate relief account to provide rate relief by offsetting electricity rates of
6 residential customers, including an offset of surcharges imposed on ratepayers under §
7 7-211 of the Public Utilities Article, on a per customer basis and in a manner
8 prescribed by the Public Service Commission;

9 (3)] at least [46%] **20%** shall be credited to a low and moderate income
10 efficiency and conservation programs account and to a general efficiency and
11 conservation programs account for energy efficiency and conservation programs,
12 projects, or activities and demand response programs, of which at least one-half shall
13 be targeted to the low and moderate income efficiency and conservation programs
14 account for:

15 (i) the low-income residential sector at no cost to the
16 participants of the programs, projects, or activities; and

17 (ii) the moderate-income residential sector;

18 [(4)] (3) [up to 10.5%] **AT LEAST 20%** shall be credited to a
19 renewable and clean energy programs account for:

20 (i) [subject to subsection (i) of this section,] renewable and
21 clean energy programs and initiatives;

22 (ii) energy-related public education and outreach; and

23 (iii) climate change **AND RESILIENCY** programs; and

24 [(5)] (4) up to [3.5%] **10%**, but not more than [**\$4,000,000**]
25 **\$5,000,000**, shall be credited to an administrative expense account for costs related to
26 the administration of the Fund, including the review of electric company plans for
27 achieving electricity savings and demand reductions that the electric companies are
28 required under law to submit to the Administration.

29 [(g-1)] The proceeds described in subsection (g) of this section from the
30 allowances sold between March 1, 2009, and June 30, 2012, shall be allocated as
31 follows:

32 (1) up to 50% shall be credited to an energy assistance account to be
33 used as described in subsection (g)(1) of this section;

1 (2) 23% shall be credited to a rate relief account to be allocated as
2 provided in subsection (g)(2) of this section;

3 (3) at least 17.5% shall be credited to a low and moderate income
4 efficiency and conservation programs account and to a general efficiency and
5 conservation programs account to be allocated as provided in subsection (g)(3) of this
6 section;

7 (4) at least 6.5% shall be credited to a renewable and clean energy
8 programs account to be allocated as provided in subsection (g)(4) of this section; and

9 (5) up to 3.0%, but not more than \$4,000,000, shall be credited to an
10 administrative expense account to be allocated as provided in subsection (g)(5) of this
11 section.]

12 [(g-2) Subsection (g)(2) of this section does not apply to residential customers of
13 a small rural electric cooperative, as defined in § 1-101 of the Public Utilities Article.]

14 **Article – Transportation**

15 12-118.

16 (e) (1) Subject to paragraph (2) of this subsection, money in the special
17 fund established under subsection (c)(2) of this section:

18 (i) Shall be distributed first to the Department of State Police
19 and the State Highway Administration to cover the costs of implementing and
20 administering work zone speed control systems; and

21 (ii) After the distribution under item (i) of this paragraph[, for]:

22 **1. FOR each of fiscal years 2013 through 2015 only,**
23 **\$3,000,000 shall be distributed to the Department of State Police to be used only for**
24 **the purchase of replacement vehicles and related motor vehicle equipment used to**
25 **outfit police vehicles; AND**

26 **2. FOR EACH OF FISCAL YEARS 2016 THROUGH 2018**
27 **ONLY, AT LEAST \$7,000,000 SHALL BE DISTRIBUTED TO THE DEPARTMENT OF**
28 **STATE POLICE TO BE USED ONLY FOR THE PURCHASE OF REPLACEMENT**
29 **VEHICLES AND RELATED MOTOR VEHICLE EQUIPMENT USED TO OUTFIT POLICE**
30 **VEHICLES.**

31 (2) The balance of the money in the special fund shall be distributed to
32 the Department of State Police to fund roadside enforcement activities.

33 13-802.

1 COMMISSION IN CONSULTATION WITH THE DEPARTMENT OF HEALTH AND
 2 MENTAL HYGIENE, THE DEPARTMENT OF BUDGET AND MANAGEMENT, AND
 3 THE MARYLAND HOSPITAL ASSOCIATION. THE COMMISSION SHALL MODEL THE
 4 METHODOLOGY FOR CALCULATING GENERAL FUND SAVINGS IN THE MEDICAID
 5 PROGRAM BY COMPARING AN AVERAGE BASELINE OF MARYLAND MEDICAID
 6 TOTAL RISK-ADJUSTED HOSPITAL EXPENDITURES PER BENEFICIARY OVER A
 7 REASONABLE PERIOD OF TIME BEFORE THE IMPLEMENTATION OF THE
 8 MARYLAND ALL-PAYER MODEL CONTRACT TO THE ACTUAL MARYLAND
 9 MEDICAID TOTAL RISK-ADJUSTED HOSPITAL EXPENDITURES PER BENEFICIARY
 10 DURING THE PERIOD UNDER MARYLAND'S ALL-PAYER MODEL CONTRACT. TO
 11 THE EXTENT THAT THE COMMISSION TAKES OTHER ACTIONS THAT REDUCE
 12 MEDICAID COSTS, THOSE SAVINGS SHALL ALSO BE USED TO REDUCE THE
 13 BUDGETED MEDICAID DEFICIT ASSESSMENT. To the maximum extent possible,
 14 the Commission and the Department OF HEALTH AND MENTAL HYGIENE shall
 15 adopt policies that preserve the State's Medicare waiver.

16 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 17 read as follows:

18 **Article – Health – General**

19 19–214.

20 (d) (1) Each year, the Commission shall assess a uniform, broad-based,
 21 and reasonable amount in hospital rates to:

22 (i) Reflect the aggregate reduction in hospital uncompensated
 23 care realized from the expansion of health care coverage under Chapter 7 of the Acts of
 24 the 2007 Special Session of the General Assembly; and

25 (ii) Operate and administer the Maryland Health Insurance
 26 Plan established under Title 14, Subtitle 5 of the Insurance Article.

27 (3) For the portion of the assessment under paragraph (1)(ii) of this
 28 subsection:

29 (i) The Commission shall ensure that the assessment:

30 1. Shall be included in the reasonable costs of each
 31 hospital when establishing the hospital's rates;

32 2. May not be considered in determining the
 33 reasonableness of rates or hospital financial performance under Commission
 34 methodologies; and

1 3. May not be [less as a percentage] MORE THAN 0.5%
 2 of net patient revenue [than the assessment of 0.8128% that was in existence on July
 3 1, 2007]; and

4 ~~SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland~~
 5 ~~read as follows:~~

6 ~~Article Health General~~

7 ~~19-219.1.~~

8 ~~(A) (1) IN THIS SECTION, "COMMUNITY PARTNERSHIP" MEANS A~~
 9 ~~PARTNERSHIP WITH A CORPORATE, BUSINESS, PROVIDER, OR CITIZEN~~
 10 ~~ORGANIZATION TO DEVELOP METHODOLOGIES TO IMPROVE THE HEALTH AND~~
 11 ~~WELL-BEING OF THE COMMUNITY.~~

12 ~~(2) "COMMUNITY PARTNERSHIP" INCLUDES:~~

13 ~~(i) A PARTNERSHIP WITH SKILLED NURSING FACILITIES;~~

14 ~~(ii) A PARTNERSHIP WITH PALLIATIVE CARE PROVIDERS;~~

15 ~~(iii) A PARTNERSHIP WITH MULTIDISCIPLINARY~~
 16 ~~COMMUNITY-BASED CARE TEAMS;~~

17 ~~(iv) A PARTNERSHIP WITH PHYSICIANS AND PHYSICIAN~~
 18 ~~PRACTICES;~~

19 ~~(v) A PARTNERSHIP WITH COMMUNITY HEALTH AND~~
 20 ~~PUBLIC HEALTH AGENCIES; AND~~

21 ~~(vi) DATA INTEGRATION THAT SUPPORTS PARTNERSHIP~~
 22 ~~ACTIVITIES.~~

23 ~~(B) THE COMMISSION SHALL ESTABLISH A COMMUNITY PARTNERSHIP~~
 24 ~~ASSISTANCE PROGRAM.~~

25 ~~(C) (1) THE COMMUNITY PARTNERSHIP ASSISTANCE PROGRAM~~
 26 ~~SHALL PROVIDE FUNDING TO HOSPITALS FOR APPROVED REGIONAL OR~~
 27 ~~STATEWIDE COMMUNITY PARTNERSHIP PLANS AS FOLLOWS:~~

28 ~~(i) FOR FISCAL YEAR 2015, \$30,000,000; AND~~

29 ~~(ii) FOR FISCAL YEAR 2016 AND EACH FISCAL YEAR~~
 30 ~~THEREAFTER, \$40,000,000.~~

1 ~~(2) FUNDING SHALL BE PROVIDED UNDER THIS PROGRAM~~
2 ~~THROUGH THE RATE STRUCTURES OF APPROVED HOSPITALS.~~

3 ~~(D) COMMUNITY PARTNERSHIP PLANS SHALL BE DEVELOPED IN~~
4 ~~ACCORDANCE WITH GUIDELINES ESTABLISHED JOINTLY BY THE DEPARTMENT~~
5 ~~AND THE COMMISSION AFTER PUBLIC COMMENT.~~

6 ~~(E) (1) TO BE ELIGIBLE FOR FUNDING, A PROPOSED COMMUNITY~~
7 ~~PARTNERSHIP PLAN SHALL BE SUBMITTED TO THE COMMISSION AND THE~~
8 ~~DEPARTMENT FOR REVIEW AND CONSIDERATION FOR APPROVAL.~~

9 ~~(2) THE COMMISSION SHALL TAKE ACTION ON A PROPOSED PLAN~~
10 ~~THAT HAS BEEN APPROVED BY THE DEPARTMENT.~~

11 ~~(3) PREFERENCE SHALL BE GIVEN TO A MULTIHOSPITAL,~~
12 ~~STATEWIDE, OR REGIONAL COMMUNITY PARTNERSHIP PLAN OR~~
13 ~~COLLABORATION THAT:~~

14 ~~(i) IMPROVES THE HEALTH AND WELL BEING OF THE~~
15 ~~COMMUNITY; AND~~

16 ~~(ii) SUPPORTS THE ACHIEVEMENT OF THE GOALS~~
17 ~~ESTABLISHED IN THE STATE'S ALL-PAYER MODEL APPROVED BY THE CENTER~~
18 ~~FOR MEDICARE AND MEDICAID INNOVATION.~~

19 ~~(F) A PORTION OF THE FUNDING MAY BE USED FOR THE EVALUATION~~
20 ~~OF COMMUNITY PARTNERSHIP AND COLLABORATION ACTIVITIES.~~

21 ~~(G) THE GUIDELINES REQUIRED UNDER THIS SECTION SHALL INCLUDE~~
22 ~~APPLICATION CRITERIA AND SPECIFICATIONS FOR HOSPITALS AND~~
23 ~~MULTIHOSPITAL COLLABORATIONS TO COMPETE FOR FUNDING.~~

24 SECTION 4. AND BE IT FURTHER ENACTED, That, in fiscal year 2015 only,
25 the Health Services Cost Review Commission shall include an additional \$30,000,000
26 in hospital revenue when determining hospital rates that are effective in fiscal year
27 2015 for the purpose of assisting hospitals in covering costs associated with the
28 implementation of the new Maryland all-payer model contract approved by the federal
29 Center for Medicare and Medicaid Innovation.

30 SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding any
31 other provision of law, any revenue generated by the sale of Dauphin 365N helicopters
32 shall be credited to the General Fund.

1 ~~SECTION 6. AND BE IT FURTHER ENACTED, That, for fiscal year 2015, any~~
2 ~~increase in rates for payments to providers of nonpublic placements under § 8-406 of~~
3 ~~the Education Article shall be effective beginning January 1, 2015.~~

4 SECTION 6. AND BE IT FURTHER ENACTED, That:

5 (a) Notwithstanding any other provision of law, the Board of Trustees for the
6 State Retirement and Pension System shall perform a study that, based on the results
7 of the actuarial valuation as of June 30, 2014, addresses the following:

8 (1) The increased employer contributions to be made each year by the
9 State as a result of phasing out the corridor funding method under § 21-304(e) and (f)
10 of the State Personnel and Pensions Article;

11 (2) The effects of changes to actuarial assumptions made by the Board
12 of Trustees on normal contribution rates paid by county boards of education and the
13 Baltimore City Board of School Commissioners under § 21-304(b)(4)(iii) of the State
14 Personnel and Pensions Article on or after July 1, 2016;

15 (3) The effects of changes to the amount of supplemental contributions
16 under § 21-308(a)(4) of the State Personnel and Pensions Article paid to the System
17 on employer contributions through fiscal year 2039;

18 (4) The fiscal effect on local employers due to any projected increases
19 in the amounts the local employers are required to pay for each employee for the
20 administrative and operational expenses under § 21-316 of the State Personnel and
21 Pensions Article; and

22 (5) An assessment of the effects of the System's investment
23 underperformance relative to other similar public pension systems on the System's
24 total assets and on employer contribution rates.

25 (b) On or before January 1, 2015, the Board of Trustees shall complete the
26 study and report on the results of the study to the Senate Budget and Taxation
27 Committee, the House Appropriations Committee, and the Joint Committee on
28 Pensions, in accordance with § 2-1246 of the State Government Article.

29 SECTION 7. AND BE IT FURTHER ENACTED, That, for fiscal year 2015,
30 payments to providers with rates set by the Interagency Rates Committee under §
31 8-417 of the Education Article may not increase by more than 1.5% over the rates in
32 effect on January 15, 2014, ~~and that any rate increase shall be effective beginning~~
33 ~~January 1, 2015.~~

34 SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any
35 other provision of law, on or before June 30, 2014, the Governor may transfer to the
36 General Fund:

1 \$300,000 of the funds in the Radiation Control Fund established under § 8–306
2 of the Environment Article;

3 \$650,000 of the funds in the Biotechnology Investment Tax Credit Reserve Fund
4 established under § 10–725 of the Tax – General Article;

5 \$1,000,000 from the Senior Prescription Drug Assistance Program account in
6 the Maryland Health Insurance Plan Fund established under § 14–504 of the Health –
7 General Article;

8 \$800,000 of the funds in the Maryland Correctional Enterprises Revolving Fund
9 established under § 3–507 of the Correctional Services Article; ~~and~~

10 \$2,400,000 of the funds in the Chesapeake and Atlantic Coastal Bays 2010
11 Trust Fund established under § 8–2A–02 of the Natural Resources Article;

12 ~~SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any~~
13 ~~other provision of law, on or before June 30, 2015, the Governor may transfer to the~~
14 ~~General Fund;~~

15 \$125,000 of the funds in the Sustainable Communities Tax Credit Reserve Fund
16 established under § 5A–303 of the State Finance and Procurement Article; and

17 ~~\$25,814,997~~ \$30,814,997 of the funds in the accounts of the University System
18 of Maryland.

19 SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any
20 other provision of law, on or before June 30, 2015, the Governor may transfer from the
21 Baltimore City Community College fund balance to the Major Information Technology
22 Development Project Fund established under § 3A–309 of the State Finance and
23 Procurement Article \$10,800,000 to be used to implement the Enterprise Resource
24 Planning project at the Baltimore City Community College.

25 SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding any
26 other provision of law, on or before June 30, 2014, the Governor may transfer
27 \$18,971,632 from the Sustainable Communities Tax Credit Reserve Fund established
28 under § 5A–303(d) of the State Finance and Procurement Article to the General Fund,
29 which is the amount of commercial tax credit certificates that were issued in fiscal
30 years 2006 through 2010 and that have not been claimed under § 5A–303(f)(4) of the
31 State Finance and Procurement Article or extended under § 5A–303(c)(3)(ii) of the
32 State Finance and Procurement Article.

33 ~~SECTION~~ SECTION 11. AND BE IT FURTHER ENACTED, That:

34 (a) The State Department of Assessments and Taxation shall establish a
35 workgroup to examine issues related to the property assessment process for both real

1 and personal property and the tax credit programs for which the Department is
2 responsible for calculating property tax credits and exemptions.

3 (b) The workgroup shall examine the following issues:

4 (1) Whether a physical exterior inspection of each property is
5 necessary to properly assess real property for tax purposes;

6 (2) The Department's ability to timely and adequately maintain
7 changes in property status that may occur throughout the year and incorporate new
8 properties in the system of accounts;

9 (3) The extent of discrepancies in the calculation of certain tax credits
10 and exemptions and approaches for improving accuracy; and

11 (4) The feasibility of, and any legal impediments to, contracting with a
12 third-party vendor to perform periodic audits of the property tax credit and exemption
13 programs for which the Department calculates the credit or exemption or of other
14 functions for which an external evaluation may provide greater accuracy.

15 (c) The workgroup shall include representatives from local governments and
16 appropriate State agencies.

17 (d) The Director of Assessments and Taxation, or the Director's designee,
18 shall chair the workgroup and facilitate the activities of the workgroup.

19 (e) On or before December 15, 2014, the workgroup shall submit a report of
20 its findings and recommendations under this section, including a detailed description
21 of the process used and any data relied on by the workgroup, to the Governor and,
22 subject to § 2-1246 of the State Government Article, the General Assembly.

23 (f) Notwithstanding any other provision of law, on the recommendation of
24 the workgroup under this section and in compliance with the requirements of the
25 procurement law under the State Finance and Procurement Article, the Department
26 may contract with a consultant for auditing assistance in determining the accuracy of
27 real property values and homeowner tax credits and the proper incorporation of new
28 and improved properties.

29 SECTION 10, 12. AND BE IT FURTHER ENACTED, That if any provision of
30 this Act or the application thereof to any person or circumstance is held invalid for any
31 reason in a court of competent jurisdiction, the invalidity does not affect other
32 provisions or any other application of this Act which can be given effect without the
33 invalid provision or application, and for this purpose the provisions of this Act are
34 declared severable.

35 SECTION 13. AND BE IT FURTHER ENACTED, That Section 10 of this Act
36 shall take effect June 1, 2014, contingent on the taking effect of Chapter (H.B.

1 510) of the Acts of the General Assembly of 2014, and if Chapter (H.B. 510) does
2 not become effective, Section 10 of this Act shall be null and void without the necessity
3 of further action by the General Assembly.

4 SECTION ~~11~~ 14. AND BE IT FURTHER ENACTED, That ~~Sections 2 and 4~~
5 Section 2 of this Act shall take effect July 1, 2014.

6 SECTION ~~12~~ 15. AND BE IT FURTHER ENACTED, That Section 3 of this Act
7 shall take effect October 1, 2014.

8 SECTION ~~13~~ 16. AND BE IT FURTHER ENACTED, That, except as otherwise
9 provided in Sections ~~11 and 12~~ 13, 14, and 15 of this Act, this Act shall take effect
10 June 1, 2014.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.